

UGI Corporation and Subsidiaries
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(Millions of dollars and euros, except per share amounts and where indicated otherwise)

Financial instruments other than derivative financial instruments, such as our short-term investments and trade accounts receivable, could expose us to concentrations of credit risk. We limit our credit risk from short-term investments by investing only in investment-grade commercial paper, money market mutual funds, securities guaranteed by the U.S. Government or its agencies and FDIC insured bank deposits. The credit risk from trade accounts receivable is limited because we have a large customer base which extends across many different U.S. markets and several foreign countries. For information regarding concentrations of credit risk associated with our derivative financial instruments, see Note 17.

Note 17 — Disclosures About Derivative Instruments and Hedging Activities

We are exposed to certain market risks related to our ongoing business operations. Management uses derivative financial and commodity instruments, among other things, to manage these risks. The primary risks managed by derivative instruments are (1) commodity price risk, (2) interest rate risk and (3) foreign currency exchange rate risk. Although we use derivative financial and commodity instruments to reduce market risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes. The use of derivative instruments is controlled by our risk management and credit policies which govern, among other things, the derivative instruments we can use, counterparty credit limits and contract authorization limits. Because most of our derivative instruments generally qualify as hedges under GAAP or are subject to regulatory rate recovery mechanisms, we expect that changes in the fair value of derivative instruments used to manage commodity, interest rate or currency exchange rate risk would be substantially offset by gains or losses on the associated anticipated transactions.

Commodity Price Risk

In order to manage market price risk associated with the Partnership's fixed-price programs which permit customers to lock in the prices they pay for propane principally during the months of October through March, the Partnership uses over-the-counter derivative commodity instruments, principally price swap contracts. In addition, the Partnership, certain other domestic business units and our International Propane operations also use over-the-counter price swap and option contracts to reduce commodity price volatility associated with a portion of their forecasted LPG purchases. In addition, from time to time, the Partnership enters into price swap agreements to provide market price risk support to some of its wholesale customers. These agreements are not designated as hedges for accounting purposes and the volumes of propane subject to these agreements were not material.

Gas Utility's tariffs contain clauses that permit recovery of all of the prudently incurred costs of natural gas it sells to retail core-market customers. As permitted and agreed to by the PUC pursuant to Gas Utility's annual PGC filings, Gas Utility currently uses New York Mercantile Exchange ("NYMEX") natural gas futures and option contracts to reduce commodity price volatility associated with a portion of the natural gas it purchases for its retail core-market customers. At September 30, 2011 and 2010, the volumes of natural gas associated with Gas Utility's unsettled NYMEX natural gas futures and option contracts totaled 15.1 million dekatherms and 19.5 million dekatherms, respectively. At September 30, 2011, the maximum period over which Gas Utility is hedging natural gas market price risk is 13 months. Gains and losses on natural gas futures contracts and any gains on natural gas option contracts are recorded in regulatory assets or liabilities on the Consolidated Balance Sheets in accordance with FASB's guidance in ASC 980 related to rate-regulated entities and reflected in cost of sales through the PGC mechanism (see Note 8).

Beginning January 1, 2010, Electric Utility's DS tariffs permit the recovery of all prudently incurred costs of electricity it sells to DS customers. Electric Utility enters into forward electricity purchase contracts to meet a substantial portion of its electricity supply needs. During Fiscal 2010, Electric Utility determined that it could no longer assert that it would take physical delivery of substantially all of the electricity it had contracted for under its forward power purchase agreements and, as a result, such contracts no longer qualified for the normal purchases and normal sales exception under GAAP related to derivative financial instruments. The inability of Electric Utility to continue to assert that it would take physical delivery of such power resulted principally from a greater than anticipated number of customers, primarily certain commercial and industrial customers, choosing an alternative electricity supplier. Because these contracts no longer qualify for the normal purchases and normal sales exception under GAAP, the fair value of these contracts are required to be recognized on the balance sheet and measured at

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fair value. At September 30, 2011 and 2010, the fair values of Electric Utility's forward purchase power agreements comprising losses of \$8.7 and \$19.7, respectively, are reflected in current derivative financial instrument liabilities and other noncurrent liabilities in the accompanying Consolidated Balance Sheets. In accordance with ASC 980 related to rate regulated entities, Electric Utility has recorded equal and offsetting amounts in regulatory assets. At September 30, 2011 and 2010, the volumes of Electric Utility's forward electricity purchase contracts was 788.6 million kilowatt hours and 990.7 million kilowatt hours, respectively. At September 30, 2011, the maximum period over which these contracts extend is 32 months.

In order to reduce volatility associated with a substantial portion of its electricity transmission congestion costs, Electric Utility obtains FTRs through an annual PJM Interconnection ("PJM") allocation process and by purchases of FTRs at monthly PJM auctions. Midstream & Marketing purchases FTRs to economically hedge electricity transmission congestion costs associated with its fixed-price electricity sales contracts. FTRs are derivative financial instruments that entitle the holder to receive compensation for electricity transmission congestion charges that result when there is insufficient electricity transmission capacity on the electric transmission grid. PJM is a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of 14 eastern and midwestern states. Because Electric Utility is entitled to fully recover its DS costs commencing January 1, 2010, gains and losses on Electric Utility FTRs associated with periods beginning on or after January 1, 2010 are recorded in regulatory assets or liabilities in accordance with ASC 980 and reflected in cost of sales through the DS recovery mechanism (see Note 8). Gains and losses associated with periods prior to January 2010 are reflected in cost of sales. At September 30, 2011 and 2010, the volumes associated with Electric Utility FTRs totaled 208.6 million kilowatt hours and 546.8 million kilowatt hours, respectively. Midstream & Marketing's FTRs are recorded at fair value with changes in fair value reflected in cost of sales. At September 30, 2011 and 2010, the volumes associated with Midstream & Marketing's FTRs totaled 1,418.6 million kilowatt hours and 1,026.4 million kilowatt hours, respectively.

In order to manage market price risk relating to fixed-price sales contracts for natural gas and electricity, Midstream & Marketing enters into NYMEX and over-the-counter natural gas and electricity futures contracts. Midstream & Marketing also uses NYMEX and over the counter electricity futures contracts to hedge the price of a portion of its anticipated future sales of electricity from its electric generation facilities. In addition, beginning April 1, 2011, Midstream & Marketing uses NYMEX futures contracts to economically hedge the gross margin associated with the purchase and anticipated later sale of natural gas or propane. Because the contracts associated with the anticipated sale of stored natural gas or propane do not qualify for hedge accounting treatment, any gains or losses on the derivative contracts are recognized in earnings prior to gains or losses from the sale of the stored gas. Such derivative gains or losses during Fiscal 2011 were not material. At September 30, 2011, the volumes associated with Midstream & Marketing's natural gas and propane storage NYMEX contracts totaled 4.2 million dekatherms and 4.0 million gallons, respectively.

In order to reduce operating expense volatility, UGI Utilities from time to time enters into NYMEX gasoline futures and swap contracts for a portion of gasoline volumes expected to be used in the operation of its vehicles and equipment. Associated volumes, fair values and effects on net income were not material for all periods presented.

At September 30, 2011 and 2010, we had the following outstanding derivative commodity instruments volumes that qualify for hedge accounting treatment:

Commodity	Volumes	
	2011	2010
LPG (millions of gallons)	138.0	160.0
Natural gas (millions of dekatherms, net)	26.1	36.3
Electricity calls (millions of kilowatt hours)	1,219.8	1,203.8
Electricity puts (millions of kilowatt hours)	204.9	—

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At September 30, 2011, the maximum period over which we are hedging our exposure to the variability in cash flows associated with LPG commodity price risk is 12 months with a weighted average of 5 months; the maximum period over which we are hedging our exposure to the variability in cash flows associated with natural gas commodity price risk (excluding Gas Utility) is 37 months with a weighted average of 9 months; and the maximum period over which we are hedging our exposure to the variability in cash flows associated with electricity price risk (excluding Electric Utility) is 22 months for electricity call contracts, with a weighted average of 7 months, and 27 months for electricity put contracts, with a weighted average of 14 months. At September 30, 2011, the maximum period over which we are economically hedging electricity congestion with FTRs (excluding Electric Utility) is 8 months.

We account for commodity price risk contracts (other than those contracts that are not eligible for hedge accounting and Gas Utility and Electric Utility contracts that are subject to regulatory treatment) as cash flow hedges. Changes in the fair values of contracts qualifying for cash flow hedge accounting are recorded in AOCI and, with respect to the Partnership, noncontrolling interests, to the extent effective in offsetting changes in the underlying commodity price risk. When earnings are affected by the hedged commodity, gains or losses are recorded in cost of sales on the Consolidated Statements of Income. At September 30, 2011, the amount of net losses associated with commodity price risk hedges expected to be reclassified into earnings during the next twelve months based upon current fair values is \$32.1.

Interest Rate Risk

Antargaz' and Flaga's long-term debt agreements have interest rates that are generally indexed to short-term market interest rates. Antargaz has entered into pay-fixed, receive-variable interest rate swap agreements to hedge the underlying euribor rate of interest on its variable-rate term loan, and Flaga has entered into pay-fixed, receive-variable interest rate swap agreements to hedge the underlying euribor rate of interest on a substantial portion of its term loans, in each case through the respective scheduled maturity dates. As of September 30, 2011 and 2010, the total notional amounts of existing and anticipated variable-rate debt subject to interest rate swap agreements were €424.2 and €703.2, respectively.

Our domestic businesses' long-term debt is typically issued at fixed rates of interest. As these long-term debt issues mature, we typically refinance such debt with new debt having interest rates reflecting then-current market conditions. In order to reduce market rate risk on the underlying benchmark rate of interest associated with near- to medium-term forecasted issuances of fixed-rate debt, from time to time we enter into interest rate protection agreements ("IRPAs"). At September 30, 2011, the total notional amount of unsettled IRPAs was \$173. There were no unsettled IRPAs outstanding at September 30, 2010. Our current unsettled IRPA contracts hedge forecasted interest payments associated with the issuance of UGI Utilities' long-term debt forecasted to occur in September 2012 and September 2013.

We account for interest rate swaps and IRPAs as cash flow hedges. Changes in the fair values of interest rate swaps and IRPAs are recorded in AOCI and, with respect to the Partnership, noncontrolling interests, to the extent effective in offsetting changes in the underlying interest rate risk, until earnings are affected by the hedged interest expense. At such time, gains and losses are recorded in interest expense. At September 30, 2011, the amount of net losses associated with interest rate hedges (excluding pay-fixed, receive-variable interest rate swaps) expected to be reclassified into earnings during the next twelve months is \$1.2.

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Foreign Currency Exchange Rate Risk

In order to reduce volatility, Antargaz hedges a portion of its anticipated U.S. dollar-denominated LPG product purchases through the use of forward foreign currency exchange contracts. The amount of dollar-denominated purchases of LPG associated with such contracts generally represents approximately 15% to 30% of estimated dollar-denominated purchases of LPG to occur during the heating-season months of October through March. At September 30, 2011 and 2010, we were hedging a total of \$133.9 and \$108.6 of U.S. dollar-denominated LPG purchases, respectively. At September 30, 2011, the maximum period over which we are hedging our exposure to the variability in cash flows associated with dollar-denominated purchases of LPG is 30 months with a weighted average of 11 months. We also enter into forward foreign currency exchange contracts to reduce the volatility of the U.S. dollar value on a portion of our International Propane euro-denominated net investments. At September 30, 2011 and 2010, we were hedging a total of €14.5 and €10.0, respectively, of our euro-denominated net investments. As of September 30, 2011, such foreign currency contracts extend through September 2012.

We account for foreign currency exchange contracts associated with anticipated purchases of U.S. dollar-denominated LPG as cash flow hedges. Changes in the fair values of these foreign currency exchange contracts are recorded in AOCI, to the extent effective in offsetting changes in the underlying currency exchange rate risk, until earnings are affected by the hedged LPG purchase, at which time gains and losses are recorded in cost of sales. At September 30, 2011, the amount of net gains associated with currency rate risk (other than net investment hedges) expected to be reclassified into earnings during the next twelve months based upon current fair values is \$2.5. Gains and losses on net investment hedges are included in AOCI until such foreign operations are liquidated.

On October 14, 2011, the Company acquired certain European LPG businesses from Shell (see Note 22). In September 2011, in order to economically hedge the U.S. dollar amount of a substantial portion of the associated euro-denominated purchase price, we entered into foreign currency exchange contracts. These contracts are recorded at fair value with gains or losses recorded in other income (expense). At September 30, 2011, we were hedging a total of €120 of the euro-denominated purchase price. Losses recorded on these contracts through September 30, 2011 totaled \$6.1.

Derivative Financial Instrument Credit Risk

We are exposed to risk of loss in the event of nonperformance by our derivative financial instrument counterparties. Our derivative financial instrument counterparties principally comprise large energy companies and major U.S. and international financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits or entering into netting agreements that allow for offsetting counterparty receivable and payable balances for certain financial transactions, as deemed appropriate. Certain of these agreements call for the posting of collateral by the counterparty or by the Company in the form of letters of credit, parental guarantees or cash. Additionally, our natural gas and electricity exchange-traded futures and options contracts generally require cash deposits in margin accounts. At September 30, 2011 and 2010, restricted cash in brokerage accounts totaled \$17.2 and \$34.8, respectively. Although we have concentrations of credit risk associated with derivative financial instruments, the maximum amount of loss, based upon the gross fair values of the derivative financial instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was not material at September 30, 2011. Certain of the Partnership's derivative contracts have credit-risk-related contingent features that may require the posting of additional collateral in the event of a downgrade of the Partnership's debt rating. At September 30, 2011, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

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The following table provides information regarding the balance sheet location and fair value of derivative assets and liabilities existing as of September 30, 2011 and 2010:

	Derivative Assets			Derivative Liabilities		
	Balance Sheet Location	Fair Value September 30,		Balance Sheet Location	Fair Value September 30,	
		2011	2010		2011	2010
Derivatives Designated as Hedging Instruments:						
Commodity contracts...	Derivative financial instruments and Other assets	\$ 1.1	\$ 9.2	Derivative financial instruments and Other noncurrent liabilities	\$ (32.5)	\$ (48.6)
Foreign currency contracts	Derivative financial instruments and Other assets	5.2	0.8	Derivative financial instruments and Other noncurrent liabilities	—	(2.9)
Interest rate contracts...				Derivative financial instruments and Other noncurrent liabilities	(44.4)	(18.5)
Total Derivatives Designated as Hedging Instruments		\$ 6.3	\$ 10.0		\$ (76.9)	\$ (70.0)
Derivatives Accounted for Under ASC 980:						
Commodity contracts...	Derivative financial instruments	\$ —	\$ 0.4	Derivative financial instruments and Other noncurrent liabilities	\$ (11.7)	\$ (21.1)
Derivatives Not Designated as Hedging Instruments:						
Foreign currency contracts				Derivative financial instruments	\$ (3.3)	\$ —
Commodity contracts...	Derivative financial instruments and Other assets	\$ 5.8	\$ 2.2			
Total Derivatives Not Designated as Hedging Instruments		\$ 5.8	\$ 2.2		\$ (3.3)	\$ —
Total Derivatives		\$ 12.1	\$ 12.6		\$ (91.9)	\$ (91.1)

The following tables provide information on the effects of derivative instruments on the Consolidated Statement of Income and changes in AOCI and noncontrolling interest for Fiscal 2011 and 2010:

	Gain or (Loss) Recognized in AOCI and Noncontrolling Interests			Gain or (Loss) Reclassified from AOCI and Noncontrolling Interests into Income			Location of Gain or (Loss) Reclassified from AOCI and Noncontrolling Interests into Income
	2011	2010	2009	2011	2010	2009	
Cash Flow Hedges:							
Commodity contracts.....	\$ 2.2	\$ (41.7)	\$ (241.1)	\$ (17.4)	\$ (21.0)	\$ (305.8)	Cost of sales
Foreign currency contracts	6.9	3.2	(2.1)	(0.8)	0.7	5.0	Cost of sales
Interest rate contracts.....	(35.8)	(12.6)	(46.7)	(14.1)	(28.2)	(7.0)	Interest expense /other income
Total	<u>\$ (26.7)</u>	<u>\$ (51.1)</u>	<u>\$ (289.9)</u>	<u>\$ (32.3)</u>	<u>\$ (48.5)</u>	<u>\$ (307.8)</u>	

Net Investment Hedges:			
Foreign currency contracts	\$ 0.2	\$ 5.0	\$ (2.0)

Derivatives Not Designated as Hedging Instruments:

	Gain or (Loss)			Location of Gain or (Loss)
	Recognized in Income			
	2011	2010	2009	
Commodity contracts.....	\$ 2.1	\$ 1.3	\$ (0.6)	Cost of sales
Commodity contracts.....	0.3	0.2	0.7	Operating expenses / other income
Foreign currency contracts	(6.1)	—	—	Other income
Total.....	\$ (3.7)	\$ 1.5	\$ 0.1	

The amounts of derivative gains or losses representing ineffectiveness, and the amounts of gains or losses recognized in income as a result of excluding derivatives from ineffectiveness testing, were not material for Fiscal 2011, Fiscal 2010 and Fiscal 2009.

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As a result of the Partnership's refinancing of its 7.125% Senior Notes (see Note 5), during the three months ended September 30, 2011, the Partnership discontinued cash flow hedge accounting for settled but unamortized IRPA losses associated with the Senior Notes and recorded a loss of \$2.6 which amount is included in "Loss on extinguishments of debt" on the Fiscal 2011 Consolidated Statement of Income. During the three months ended March 31, 2010, the Partnership's management determined that it was likely that the Partnership would not issue \$150 of long-term debt during the summer of 2010 due to the Partnership's strong cash flow and anticipated extension of all or a portion of the 2009 AmeriGas Supplemental Credit Agreement. As a result, the Partnership discontinued cash flow hedge accounting treatment for IRPAs associated with this previously anticipated Fiscal 2010 \$150 long-term debt issuance and recorded a \$12.2 loss which is reflected in "other income, net" on the Fiscal 2010 Consolidated Statement of Income. During Fiscal 2009, the Partnership recorded a loss of \$1.7 as a result of the discontinuance of cash flow hedge accounting associated with IRPAs which amount was also reflected in "other income, net".

We are also a party to a number of other contracts that have elements of a derivative instrument. These contracts include, among others, binding purchase orders, contracts which provide for the purchase and delivery, or sale, of natural gas, LPG and electricity, and service contracts that require the counterparty to provide commodity storage, transportation or capacity service to meet our normal sales commitments. Although many of these contracts have the requisite elements of a derivative instrument, these contracts qualify for normal purchases and normal sales exception accounting under GAAP because they provide for the delivery of products or services in quantities that are expected to be used in the normal course of operating our business and the price in the contract is based on an underlying that is directly associated with the price of the product or service being purchased or sold.

Note 18 — Energy Services Accounts Receivable Securitization Facility

Energy Services has a \$200 receivables purchase facility ("Receivables Facility") with an issuer of receivables-backed commercial paper currently scheduled to expire in April 2012, although the Receivables Facility may terminate prior to such date due to the termination of commitments of the Receivables Facility's back-up purchasers.

Under the Receivables Facility, Energy Services transfers, on an ongoing basis and without recourse, its trade accounts receivable to its wholly owned, special-purpose subsidiary, Energy Services Funding Corporation ("ESFC"), which is consolidated for financial statement purposes. ESFC, in turn, has sold, and subject to certain conditions, may from time to time sell, an undivided interest in the receivables to a commercial paper conduit of a major bank. ESFC was created and has been structured to isolate its assets from creditors of Energy Services and its affiliates, including UGI. This two-step transaction is accounted for as a sale of receivables following the FASB's guidance for accounting for transfers of financial assets and extinguishments of liabilities. Energy Services continues to service, administer and collect trade receivables on behalf of the commercial paper issuer and ESFC.

Effective October 1, 2010, the Company adopted a new accounting standard that changes the accounting for the Receivables Facility on a prospective basis (see Note 3). Effective October 1, 2010, trade receivables sold to the commercial paper conduit remain on the Company's balance sheet; the Company reflects a liability equal to the amount advanced by the commercial paper conduit; and the Company records interest expense on amounts sold to the commercial paper conduit. Prior to October 1, 2010, trade accounts receivable sold to the commercial paper conduit were removed from the balance sheet and any losses on sales of accounts receivable were reflected in "other income, net."

During Fiscal 2011, Fiscal 2010 and Fiscal 2009, Energy Services transferred trade receivables totaling \$1,134.9, \$1,147.3 and \$1,247.1, respectively, to ESFC. During Fiscal 2011, Fiscal 2010 and Fiscal 2009, ESFC sold an aggregate \$88.0, \$254.6 and \$596.9, respectively, of undivided interests in its trade receivables to the commercial paper conduit. At September 30, 2011, the outstanding balance of ESFC trade receivables was \$52.1 and there was \$14.3 sold to the commercial paper conduit and reflected on the balance sheet as bank loans. At September 30, 2010, the outstanding balance of ESFC trade receivables was \$44.0 which is net of \$12.1 that was sold to the commercial paper conduit and removed from the balance sheet. Losses on sales of receivables to the commercial paper conduit during Fiscal 2011, which amounts are included in "Interest expense," totaled \$1.2. Losses on sales of receivables to the commercial paper conduit during Fiscal 2010 and Fiscal 2009, which amounts are included in "Other income, net," were \$1.5 and \$2.3, respectively.

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Note 19 — Other Income, Net

Other income, net, comprises the following:

	2011	2010	2009
Interest and interest-related income	\$ 2.3	\$ 2.9	\$ 5.0
Antargaz Competition Authority Matter	9.4	—	(10.0)
Utility non-tariff service income	6.4	2.4	3.2
Foreign currency hedge loss	(6.1)	—	—
Gain on sale of Partnership LPG storage facility	—	—	39.9
Gain on sale of Atlantic Energy, LLC	—	36.5	—
Finance charges	15.1	11.3	11.7
Partnership interest rate protection agreement losses	—	(12.2)	(1.7)
Other, net	19.4	17.1	7.8
Total other income, net	<u>\$ 46.5</u>	<u>\$ 58.0</u>	<u>\$ 55.9</u>

Note 20 — Quarterly Data (unaudited)

The following unaudited quarterly data includes adjustments (consisting only of normal recurring adjustments with the exception of those indicated below) which we consider necessary for a fair presentation unless otherwise indicated. Our quarterly results fluctuate because of the seasonal nature of our businesses.

	December 31,		March 31,		June 30,		September 30,	
	2010 (a)	2009	2011 (b)	2010 (c)	2011	2010	2011 (d)	2010 (e)
Revenues	\$ 1,765.6	\$ 1,618.8	\$ 2,181.0	\$ 2,120.3	\$ 1,105.4	\$ 961.9	\$ 1,039.3	\$ 890.4
Operating income (loss)	\$ 252.3	\$ 243.2	\$ 357.0	\$ 366.0	\$ 17.2	\$ 31.2	\$ (10.5)	\$ 18.8
Loss from equity investees	\$ (0.2)	\$ —	\$ (0.4)	\$ —	\$ (0.2)	\$ (1.9)	\$ (0.1)	\$ (0.2)
Loss on extinguishments of debt	\$ —	\$ —	\$ (18.8)	\$ —	\$ —	\$ —	\$ (19.3)	\$ —
Net income (loss)	\$ 155.0	\$ 145.5	\$ 215.6	\$ 232.8	\$ (13.5)	\$ (4.2)	\$ (48.9)	\$ (18.4)
Net income (loss) attributable to UGI Corporation	\$ 113.1	\$ 98.4	\$ 149.4	\$ 157.1	\$ (7.2)	\$ 3.4	\$ (22.4)	\$ 2.1
Earnings (loss) per share attributable to UGI stockholders:								
Basic	\$ 1.02	\$ 0.90	\$ 1.34	\$ 1.44	\$ (0.06)	\$ 0.03	\$ (0.20)	\$ 0.02
Diluted	\$ 1.01	\$ 0.90	\$ 1.32	\$ 1.43	\$ (0.06)	\$ 0.03	\$ (0.20)	\$ 0.02

- (a) Includes the reversal of previously recorded nontaxable accrual associated with the Antargaz Competition Authority Matter which increased operating income and net income attributable to UGI Corporation by \$9.4 or \$0.08 per diluted share (see Note 15).
- (b) Includes loss on extinguishment of Partnership long-term debt which decreased net income attributable to UGI Corporation by \$5.2 or \$0.05 per diluted share (see Note 5).
- (c) Includes loss from discontinuance of cash flow hedge accounting treatment for Partnership IRPAs which decreased operating income by \$12.2 and net income attributable to UGI Corporation by \$3.3 or \$0.03 per diluted share (see Note 17).
- (d) Includes loss on extinguishment of Partnership long-term debt which decreased net income attributable to UGI Corporation by \$5.2 or \$0.05 per diluted share (see Note 5).
- (e) Includes a gain from the sale of Atlantic Energy, LLC which increased operating income by \$36.5 and net income attributable to UGI Corporation by \$17.2 or \$0.16 per diluted share (see Note 4).

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Note 21 — Segment Information

We have organized our business units into six reportable segments generally based upon products sold, geographic location (domestic or international) and regulatory environment. Our reportable segments are: (1) AmeriGas Propane; (2) an international LPG segment comprising Antargaz; (3) an international LPG segment comprising Flaga and our other international propane businesses other than Antargaz ("Other"); (4) Gas Utility; (5) Electric Utility; and (6) Midstream & Marketing. We refer to both international segments collectively as "International Propane."

AmeriGas Propane derives its revenues principally from the sale of propane and related equipment and supplies to retail customers in all 50 states. Our International Propane segments' revenues are derived principally from the distribution of LPG to retail customers in France and northern, central and eastern Europe including Austria and Denmark. Gas Utility's revenues are derived principally from the sale and distribution of natural gas to customers in eastern, northeastern and central Pennsylvania. Electric Utility derives its revenues principally from the distribution of electricity in two northeastern Pennsylvania counties. Midstream & Marketing revenues are derived from the sale of natural gas and, to a lesser extent, LPG, electricity and fuel oil to customers located primarily in the Mid-Atlantic region of the United States.

The accounting policies of our reportable segments are the same as those described in Note 2. We evaluate AmeriGas Propane's performance principally based upon the Partnership's earnings before interest expense, income taxes, depreciation and amortization ("Partnership EBITDA"). Although we use Partnership EBITDA to evaluate AmeriGas Propane's profitability, it should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations) and is not a measure of performance or financial condition under accounting principles generally accepted in the United States of America. Our definition of Partnership EBITDA may be different from that used by other companies. We evaluate the performance of our International Propane, Gas Utility, Electric Utility and Midstream & Marketing segments principally based upon their income before income taxes.

No single customer represents more than ten percent of our consolidated revenues. In addition, all of our reportable segments' revenues, other than those of our International Propane segments, are derived from sources within the United States, and all of our reportable segments' long-lived assets, other than those of our International Propane segments, are located in the United States.

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	Reportable Segments									Corporate & Other (c)
	Total	Elim- inations	AmeriGas Propane	Gas Utility	Electric Utility	Midstream & Marketing	International Propane		Flaga & Other (b)	
							Antargaz			
2011										
Revenues	\$ 6,091.3	\$ (219.8) (d)	\$ 2,538.0	\$ 1,026.4	\$ 109.1	\$ 1,059.7	\$ 1,050.6	\$ 438.1	\$ 89.2	
Cost of sales	\$ 4,010.9	\$ (215.3) (d)	\$ 1,605.3	\$ 610.6	\$ 67.9	\$ 920.0	\$ 649.8	\$ 321.0	\$ 51.6	
Operating income										
(loss)	\$ 616.0	\$ —	\$ 242.9	\$ 199.6	\$ 11.4	\$ 82.9	\$ 89.2	\$ (3.1)	\$ (6.9)	
Loss from equity										
investees	(0.9)	—	—	—	—	—	(0.9)	—	—	
Loss on										
extinguishments										
of debt	(38.1)	—	(38.1)	—	—	—	—	—	—	
Interest expense	(138.0)	—	(63.5)	(40.4)	(2.4)	(2.7)	(25.5)	(2.7)	(0.8)	
Income (loss)										
before income										
taxes	\$ 439.0	\$ —	\$ 141.3	\$ 159.2	\$ 9.0	\$ 80.2	\$ 62.8	\$ (5.8)	\$ (7.7)	
Net income (loss)										
attributable to										
UGI	\$ 232.9	\$ —	\$ 39.9	\$ 99.3	\$ 5.7	\$ 52.5	\$ 44.2	\$ (3.2)	\$ (5.5)	
Depreciation and										
amortization	\$ 227.9	\$ —	\$ 94.7	\$ 48.4	\$ 4.2	\$ 8.0	\$ 52.1	\$ 18.5	\$ 2.0	
Noncontrolling										
interests' net										
income	\$ 75.3	\$ —	\$ 75.0	\$ —	\$ —	\$ —	\$ 0.3	\$ —	\$ —	
Partnership										
EBITDA (a)			\$ 297.1							
Total assets	\$ 6,663.3	\$ (93.3)	\$ 1,800.4	\$ 2,028.7	\$ 140.6	\$ 580.7	\$ 1,636.6	\$ 428.8	\$ 140.8	
Bank loans	\$ 138.7	\$ —	\$ 95.5	\$ —	\$ —	\$ 24.3	\$ —	\$ 18.9	\$ —	
Capital										
expenditures	\$ 355.6	\$ —	\$ 77.2	\$ 91.3	\$ 7.5	\$ 112.8	\$ 48.9	\$ 16.5	\$ 1.4	
Investments in										
equity investees	\$ 0.3	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 0.3	\$ —	
Goodwill	\$ 1,562.2	\$ —	\$ 696.3	\$ 182.1	\$ —	\$ 2.8	\$ 591.8	\$ 82.2	\$ 7.0	
2010										
Revenues	\$ 5,591.4	\$ (186.0) (d)	\$ 2,320.3	\$ 1,047.5	\$ 120.2	\$ 1,145.9	\$ 887.1	\$ 172.4	\$ 84.0	
Cost of sales	\$ 3,584.0	\$ (179.2) (d)	\$ 1,395.1	\$ 653.4	\$ 77.1	\$ 1,010.7	\$ 465.9	\$ 116.2	\$ 44.8	
Operating income										
(loss)	\$ 659.2	\$ —	\$ 235.8	\$ 175.3	\$ 13.7	\$ 120.0	\$ 115.1	\$ 1.9	\$ (2.6)	
Loss from equity										
investees	(2.1)	—	—	—	—	—	(2.0)	(0.1)	—	
Interest expense	(133.8)	—	(65.1)	(40.5)	(1.8)	(0.2)	(22.4)	(3.0)	(0.8)	
Income (loss)										
before income										
taxes	\$ 523.3	\$ —	\$ 170.7	\$ 134.8	\$ 11.9	\$ 119.8	\$ 90.7	\$ (1.2)	\$ (3.4)	
Net income (loss)										
attributable to										
UGI	\$ 261.0	\$ —	\$ 47.3	\$ 83.1	\$ 6.8	\$ 68.2	\$ 60.0	\$ (1.2)	\$ (3.2)	
Depreciation and										
amortization	\$ 210.2	\$ —	\$ 87.4	\$ 49.5	\$ 4.0	\$ 7.7	\$ 48.9	\$ 11.5	\$ 1.2	
Noncontrolling										
interests' net										
income	\$ 94.7	\$ —	\$ 91.1	\$ —	\$ —	\$ 3.3	\$ 0.3	\$ —	\$ —	
Partnership										
EBITDA (a)			\$ 321.0							
Total assets	\$ 6,374.3	\$ (81.1)	\$ 1,690.9	\$ 1,996.3	\$ 143.3	\$ 450.8	\$ 1,678.3	\$ 320.2	\$ 175.6	
Bank loans	\$ 200.4	\$ —	\$ 91.0	\$ 17.0	\$ —	\$ —	\$ 68.2	\$ 24.2	\$ —	
Capital										
expenditures	\$ 352.9	\$ —	\$ 83.2	\$ 73.5	\$ 8.1	\$ 116.4	\$ 51.4	\$ 7.6	\$ 12.7	
Investments in										
equity investees	\$ 0.4	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 0.4	\$ —	
Goodwill	\$ 1,562.7	\$ —	\$ 683.1	\$ 180.1	\$ —	\$ 2.8	\$ 602.7	\$ 87.0	\$ 7.0	
2009										
Revenues	\$ 5,737.8	\$ (172.5) (d)	\$ 2,260.1	\$ 1,241.0	\$ 138.5	\$ 1,224.7	\$ 837.7	\$ 117.6	\$ 90.7	
Cost of sales	\$ 3,670.6	\$ (167.7) (d)	\$ 1,316.5	\$ 853.2	\$ 91.6	\$ 1,098.5	\$ 362.4	\$ 67.1	\$ 49.0	
Operating income										
(loss)	\$ 685.3	\$ —	\$ 300.5	\$ 153.5	\$ 15.4	\$ 64.8	\$ 142.8	\$ 8.6	\$ (0.3)	
Loss from equity										
investees	(3.1)	—	—	—	—	—	(2.9)	(0.2)	—	
Interest expense	(141.1)	—	(70.3)	(42.2)	(1.7)	—	(24.0)	(2.6)	(0.3)	
Income (loss)										
before income										
taxes	\$ 541.1	\$ —	\$ 230.2	\$ 111.3	\$ 13.7	\$ 64.8	\$ 115.9	\$ 5.8	\$ (0.6)	
Net income										
attributable to										
UGI	\$ 258.5	\$ —	\$ 65.0	\$ 70.3	\$ 8.0	\$ 38.1	\$ 74.0	\$ 4.3	\$ (1.2)	
Depreciation and										
amortization	\$ 200.9	\$ —	\$ 83.9	\$ 47.2	\$ 3.9	\$ 8.5	\$ 47.7	\$ 8.8	\$ 0.9	
Noncontrolling										
interests' net										
income (loss)	\$ 123.5	\$ 0.2	\$ 123.6	\$ —	\$ —	\$ —	\$ (0.4)	\$ 0.1	\$ —	
Partnership										
EBITDA (a)			\$ 381.4							
Total assets	\$ 6,042.6	\$ (115.5)	\$ 1,647.7	\$ 1,917.1	\$ 113.2	\$ 344.1	\$ 1,705.6	\$ 260.1	\$ 170.3	
Bank loans	\$ 163.1	\$ —	\$ —	\$ 145.9	\$ 8.1	\$ —	\$ —	\$ 9.1	\$ —	
Capital										
expenditures	\$ 301.7	\$ —	\$ 78.7	\$ 73.8	\$ 5.3	\$ 66.2	\$ 70.5	\$ 5.8	\$ 1.4	
Investments in										
equity investees	\$ 3.0	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3.0	\$ —	
Goodwill	\$ 1,582.3	\$ (4.1)	\$ 670.1	\$ 180.1	\$ —	\$ 11.8	\$ 646.9	\$ 70.4	\$ 7.1	

UGI Corporation and Subsidiaries**Notes to Consolidated Financial Statements**

(Millions of dollars and euros, except per share amounts and where indicated otherwise)

(a) The following table provides a reconciliation of Partnership EBITDA to AmeriGas Propane operating income:

Year ended September 30,	2011	2010	2009
Partnership EBITDA	\$ 297.1	\$ 321.0	\$ 381.4 (i)
Depreciation and amortization.....	(94.7)	(87.4)	(83.9)
Loss on extinguishments of debt	38.1	—	—
Noncontrolling interests (ii).....	2.4	2.2	3.0
Operating income	<u>\$ 242.9</u>	<u>\$ 235.8</u>	<u>\$ 300.5</u>

(i) Includes \$39.9 gain on the sale of California storage facility. See Note 4 to consolidated financial statements.

(ii) Principally represents the General Partner's 1.01% interest in AmeriGas OLP.

(b) International Propane — Flaga & Other principally comprises FLAGA, including, prior to the January 29, 2009 purchase of the 50% equity interest it did not already own, its central and eastern European joint-venture ZLH, and our propane distribution businesses in China and Denmark.

(c) Corporate & Other results principally comprise UGI Enterprises' heating, ventilation, air-conditioning, refrigeration and electrical contracting businesses ("HVAC/R"), net expenses of UGI's captive general liability insurance company and UGI Corporation's unallocated corporate and general expenses and interest income. Corporate and Other assets principally comprise cash, short-term investments, assets of HVAC/R and an intercompany loan. The intercompany loan and associated interest is removed in the segment presentation.

(d) Principally represents the elimination of intersegment transactions principally among Midstream & Marketing, Gas Utility and AmeriGas Propane.

Note 22 — Subsequent Events

European LPG Acquisitions. On October 14, 2011, UGI, through subsidiaries, acquired Shell's LPG distribution businesses in the United Kingdom, Belgium, the Netherlands, Luxembourg, Denmark, Finland, Norway and Sweden for approximately €130 in cash, subject to working capital adjustments. The acquired businesses delivered a combined approximately 300 million gallons of LPG in 2010. The purchase price for these businesses was funded principally from existing cash at UGI and the return of cash capital contributions by Midstream & Marketing to UGI from borrowings under the Energy Services Credit Agreement. These cash capital contributions had previously been made by UGI to fund major Midstream & Marketing capital projects.

Proposed AmeriGas Acquisition of the Propane Operations of Energy Transfer Partners. On October 17, 2011, AmeriGas Partners announced that it had reached a definitive agreement to acquire the propane operations of Energy Transfer Partners, L.P. ("Energy Transfer") for total consideration of approximately \$2,900, including \$1,500 in cash, AmeriGas Partners Common Units valued at approximately \$1,300 at the time of the execution of the agreement, and the assumption of \$71 in debt (the "Acquisition"). Energy Transfer conducts its propane operations in 41 states through its subsidiaries Heritage Operating, L.P. and Titan Energy Partners, L.P. (collectively, "Heritage Propane"). According to LP-Gas Magazine rankings, Heritage Propane is the third largest retail propane distributor in the United States, delivering over 500 million gallons to more than one million retail propane customers. The acquisition of Heritage Propane is subject to customary closing conditions, including approval under the Hart-Scott-Rodino Act. AmeriGas Partners' obligation to complete the Acquisition is also conditioned on it obtaining debt financing on certain agreed upon terms. In addition to new debt financing, the Partnership expects to increase the size of the AmeriGas 2011 Credit Agreement to at least \$500 upon closing of the transaction. The agreement contains termination rights for both parties. Under certain conditions, termination by AmeriGas Partners could result in the payment of a termination fee of up to \$125. AmeriGas Partners expects to complete the Acquisition by March 31, 2012.

UGI CORPORATION AND SUBSIDIARIES
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

BALANCE SHEETS
(Millions of dollars)

	September 30,	
	2011	2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 0.4	\$ 1.0
Accounts and notes receivable	4.9	18.8
Deferred income taxes	0.4	0.4
Prepaid expenses and other current assets	1.4	0.3
Total current assets	7.1	20.5
Investments in subsidiaries	1,992.1	1,830.1
Derivative financial instruments	—	0.8
Deferred income taxes	22.3	20.9
Total assets	<u>\$ 2,021.5</u>	<u>\$ 1,872.3</u>
LIABILITIES AND COMMON STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts and notes payable	\$ 11.4	\$ 15.8
Derivative financial instruments	3.3	—
Accrued liabilities	1.7	5.0
Total current liabilities	16.4	20.8
Noncurrent liabilities	27.4	27.0
Commitments and contingencies (Note 1)		
Common stockholders' equity:		
Common Stock, without par value (authorized - 300,000,000 shares; issued - 115,507,094 and 115,400,294 shares, respectively)	937.4	906.1
Retained earnings	1,085.8	966.7
Accumulated other comprehensive loss	(17.7)	(10.1)
Treasury stock, at cost	(27.8)	(38.2)
Total common stockholders' equity	1,977.7	1,824.5
Total liabilities and common stockholders' equity	<u>\$ 2,021.5</u>	<u>\$ 1,872.3</u>

Note 1 — Commitments and Contingencies:

In addition to the guarantees of Flaga's and Antargaz' debt as described in Note 5 to Consolidated Financial Statements, at September 30, 2011, UGI Corporation had agreed to indemnify the issuers of \$32.7 of surety bonds issued on behalf of certain UGI subsidiaries. UGI Corporation is authorized to guarantee up to \$385.0 of obligations to suppliers and customers of UGI Energy Services, Inc. and subsidiaries of which \$349.4 of such obligations were outstanding as of September 30, 2011. UGI Corporation has guaranteed the floating to fixed rate interest rate swaps at Flaga which amount totaled \$2.5 at September 30, 2011.

UGI CORPORATION AND SUBSIDIARIES
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

STATEMENTS OF INCOME
(Millions of dollars, except per share amounts)

	Year Ended September 30,		
	2011	2010	2009
Revenues.....	\$ —	\$ —	\$ —
Costs and expenses:			
Operating and administrative expenses	31.0	31.8	33.7
Other income, net (1)	(24.8)	(31.7)	(33.7)
	<u>6.2</u>	<u>0.1</u>	<u>—</u>
Operating loss	(6.2)	(0.1)	—
Intercompany interest income.....	0.1	—	0.1
Loss (income) before income taxes	(6.1)	(0.1)	0.1
Income tax (benefit) expense	(1.1)	0.7	0.8
Loss before equity in income of unconsolidated subsidiaries.....	(5.0)	(0.8)	(0.7)
Equity in income of unconsolidated subsidiaries.....	237.9	261.8	259.2
Net income.....	<u>\$ 232.9</u>	<u>\$ 261.0</u>	<u>\$ 258.5</u>
Earnings per common share:			
Basic	<u>\$ 2.09</u>	<u>\$ 2.38</u>	<u>\$ 2.38</u>
Diluted	<u>\$ 2.06</u>	<u>\$ 2.36</u>	<u>\$ 2.36</u>
Average common shares outstanding (thousands):			
Basic	<u>111,674</u>	<u>109,588</u>	<u>108,523</u>
Diluted	<u>112,944</u>	<u>110,511</u>	<u>109,339</u>

- (1) UGI provides certain financial and administrative services to certain of its subsidiaries. UGI bills these subsidiaries monthly for all direct expenses incurred by UGI on behalf of its subsidiaries as well as allocated shares of indirect corporate expense incurred or paid with respect to services provided by UGI. The allocation of indirect UGI corporate expenses to certain of its subsidiaries utilizes a weighted, three-component formula comprising revenues, operating expenses, and net assets employed and considers the relative percentage of such items for each subsidiary to the total of such items for all UGI operating subsidiaries for which general and administrative services are provided. Management believes that this allocation method is reasonable and equitable to its subsidiaries. These billed expenses are classified as "Other income, net" in the Statements of Income above.

UGI CORPORATION AND SUBSIDIARIES
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

STATEMENTS OF CASH FLOWS
(Millions of dollars)

	Year Ended September 30,		
	2011	2010	2009
NET CASH PROVIDED BY OPERATING ACTIVITIES (a)	<u>\$ 201.6</u>	<u>\$ 173.0</u>	<u>\$ 124.7</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net investments in unconsolidated subsidiaries.....	(119.4)	(106.6)	(50.4)
Net cash used by investing activities	(119.4)	(106.6)	(50.4)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of dividends on Common Stock.....	(113.8)	(98.6)	(85.1)
Issuance of Common Stock	31.0	31.8	10.8
Net cash used by financing activities	(82.8)	(66.8)	(74.3)
Cash and cash equivalents decrease.....	<u>\$ (0.6)</u>	<u>\$ (0.4)</u>	<u>\$ —</u>
Cash and cash equivalents:			
End of year.....	\$ 0.4	\$ 1.0	\$ 1.4
Beginning of year	1.0	1.4	1.4
Decrease	<u>\$ (0.6)</u>	<u>\$ (0.4)</u>	<u>\$ —</u>

(a) Includes dividends received from unconsolidated subsidiaries of \$188.9, \$172.8 and \$110.7, for the years ended September 30, 2011, 2010 and 2009, respectively.

UGI CORPORATION AND SUBSIDIARIES
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
(Millions of dollars)

	Balance at beginning of year	Charged (credited) to costs and expenses	Other	Balance at end of year
Year Ended September 30, 2011				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	\$ 34.6	\$ 20.0	\$ (17.8) (1)	\$ 36.8
Other reserves:				
Property and casualty liability	\$ 65.7	\$ 22.5	\$ (26.5) (3) 3.6 (2)	\$ 65.3(5)
Environmental, litigation and other	\$ 65.8	\$ (5.3)	\$ (25.4) (3) 1.8 (2)	\$ 36.9
Deferred tax assets valuation allowance	\$ 78.4	\$ 3.5		\$ 81.9
Year Ended September 30, 2010				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	\$ 38.3	\$ 27.1	\$ (30.8) (1)	\$ 34.6
Other reserves:				
Property and casualty liability	\$ 72.3	\$ 15.2	\$ (27.4) (3) 5.6 (2)	\$ 65.7(5)
Environmental, litigation and other	\$ 66.3	\$ 5.4	\$ (4.9) (3) (1.0) (2)	\$ 65.8
Deferred tax assets valuation allowance	\$ 87.8	\$ (9.4)		\$ 78.4
Year Ended September 30, 2009				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	\$ 40.8	\$ 34.1	\$ (42.3) (1) 5.7 (4)	\$ 38.3
Other reserves:				
Property and casualty liability	\$ 77.4	\$ 22.7	\$ (32.6) (3) 4.6 (4) 0.2 (2)	\$ 72.3(5)
Environmental, litigation and other	\$ 31.4	\$ 20.5	\$ (5.5) (3) 13.9 (4) 6.0 (2)	\$ 66.3
Deferred tax assets valuation allowance	\$ 56.5	\$ 31.3	\$ —	\$ 87.8

(1) Uncollectible accounts written off, net of recoveries.

(2) Other adjustments.

(3) Payments, net.

(4) Acquisition.

(5) At September 30, 2011, 2010 and 2009, the Company had insurance indemnification receivables associated with its property and casualty liabilities totaling \$11.3, \$7.2 and \$1.0, respectively.

EXHIBIT INDEX

Exhibit No.	Description
10.2	UGI Corporation 2004 Omnibus Equity Compensation Plan Amended and Restated as of December 5, 2006 — Terms and Conditions as amended and restated effective July 1, 2011
10.25	UGI Corporation 2004 Omnibus Equity Compensation Plan Stock Unit Grant Letter for Non Employee Directors, dated January 7, 2011
10.27	UGI Corporation 2004 Omnibus Equity Compensation Plan Nonqualified Stock Option Grant Letter for Non Employee Directors, dated January 1, 2011
10.28	UGI Corporation 2004 Omnibus Equity Compensation Plan Nonqualified Stock Option Grant Letter for UGI Employees, dated January 1, 2011
10.29	UGI Corporation 2004 Omnibus Equity Compensation Plan Nonqualified Stock Option Grant Letter for AmeriGas Employees, dated January 1, 2011
10.30	UGI Corporation 2004 Omnibus Equity Compensation Plan Nonqualified Stock Option Grant Letter for Utilities Employees, dated January 1, 2011
10.31	UGI Corporation 2004 Omnibus Equity Compensation Plan Performance Unit Grant Letter for UGI Employees, dated January 1, 2011
10.32	UGI Corporation 2004 Omnibus Equity Compensation Plan Performance Unit Grant Letter for UGI Utilities Employees, dated January 1, 2011
10.33	UGI Corporation Amended and Restated 2004 Omnibus Equity Compensation Plan Sub-Plan for French Employees and Corporate Officers Stock Option Grant Letter effective January 1, 2011
10.34	UGI Corporation Amended and Restated 2004 Omnibus Equity Compensation Plan Sub-Plan for French Employees and Corporate Officers Performance Unit Grant Letter effective January 1, 2011
10.35	Description of oral compensation arrangements for Messrs. Greenberg, Knauss, Varagne and Walsh
10.47	Receivables Purchase Agreement, dated as of November 30, 2001, as amended through and including Amendment No. 8 thereto dated April 22, 2010 and Amendment No. 9 thereto dated August 26, 2010, by and among UGI Energy Services, Inc., as servicer, Energy Services Funding Corporation, as seller, Market Street Funding, LLC, as issuer, and PNC Bank, National Association, as administrator
21	Subsidiaries of the Registrant
23	Consent of PricewaterhouseCoopers LLP
31.1	Certification by the Chief Executive Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2011 pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification by the Principal Financial Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2011 pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification by the Chief Executive Officer and the Principal Financial Officer relating to the Registrant's Report on Form 10-K for the fiscal year ended September 30, 2011, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Exhibit No.	Description
101.INS*	XBRL.Instance
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Linkbase
101.LAB*	XBRL Taxonomy Extension Labels Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase

* XBRL information will be considered to be furnished, not filed, for the first two years of a company's submission of XBRL information.

CERTIFICATION

I, Lon R. Greenberg, certify that:

1. I have reviewed this annual report on Form 10-K of UGI Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 21, 2011

/s/ Lon R. Greenberg
Lon R. Greenberg
Chairman and Chief Executive Officer of
UGI Corporation

CERTIFICATION

I, John L. Walsh, certify that:

1. I have reviewed this annual report on Form 10-K of UGI Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 21, 2011

/s/ John L. Walsh
John L. Walsh
President of UGI Corporation
(Principal Financial Officer)

**Certification by the Chief Executive Officer and Principal Financial Officer
Relating to a Periodic Report Containing Financial Statements**

I, Lon R. Greenberg, Chief Executive Officer, and I, John L. Walsh, Principal Financial Officer, of UGI Corporation, a Pennsylvania corporation (the "Company"), hereby certify that to our knowledge:

- (1) The Company's annual report on Form 10-K for the period ended September 30, 2011 (the "Form 10-K") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

* * *

CHIEF EXECUTIVE OFFICER

/s/ Lon R. Greenberg
Lon R. Greenberg

Date: November 21, 2011

PRINCIPAL FINANCIAL OFFICER

/s/ John L. Walsh
John L. Walsh

Date: November 21, 2011

Corporate Information

Annual Meeting

The Annual Meeting of Shareholders will be held at 10:00 a.m. on Thursday, January 19, 2012 in Ballrooms A and B of the Desmond Hotel and Conference Center, One Liberty Boulevard, Malvern, Pennsylvania 19355.

Investor Services

Transfer Agent and Registrar

Shareholder communications regarding transfer of shares, book-entry shares, lost certificates, lost dividend checks or changes of address should be directed to:

By Mail:
Computershare Investor Services
P.O. Box 43078
Providence, RI 02940-3078

By Overnight Delivery:
Computershare Investor Services
250 Royall Street
Canton, MA 02021

800-850-1774 (U.S. and Canada), 312-360-5100 (other countries)

Shareholders can also view real-time account information and request transfer agent services online at the Computershare Investor Services website: www.computershare.com/investor. Computershare Investor Services can be accessed through telecommunications devices for the hearing impaired by calling:

800-822-2794 (U.S. and Canada), 312-588-4110 (other countries)

Dividend Reinvestment and Direct Stock Purchase Plan

UGI's plan provides investors with a simple and convenient method to purchase shares of UGI Common Stock. Shareholders may use all or any part of the dividends they receive to purchase shares of Common Stock. The plan also permits participants to make monthly cash purchases of Common Stock not exceeding \$12,000 per year. Investors may become participants by making an initial cash investment of at least \$1,000 but not more than \$12,000. All such purchases are without brokerage commissions or service charges. For information about the Plan, write or call:

Computershare Investor Services
P.O. Box 43078
Providence, RI 02940-3078
800-850-1774

Plan information is also available on the Computershare Investor Services website: www.computershare.com/investor

Investor Relations

Securities analysts, portfolio managers and other members of the professional investment community should direct inquiries about the Company to:

Hugh J. Gallagher
Treasurer
UGI Corporation
P.O. Box 858
Valley Forge, PA 19482
610-337-1000

News, Earnings, Financial Reports and Governance Documents

UGI has a toll-free, 24-hour, corporate news and investor information service. By calling 800-844-9453, you can hear UGI news on dividends, earnings and other matters and access other shareholder services. You can also request copies of news releases, Annual Reports, Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q – all without charge.

Comprehensive news, webcast events, governance documents and other information about UGI and AmeriGas Partners, L.P. are also available via the Internet at: www.ugicorp.com.

You can request reports filed with the SEC and corporate governance documents, including the Company's Codes of Ethics and Principles of Corporate Governance free of charge, by writing to Hugh J. Gallagher, Treasurer, UGI Corporation, at the address above.

Board of Directors

Lon R. Greenberg

Chairman and Chief Executive Officer

John L. Walsh

President and Chief Operating Officer

Stephen D. Ban

Retired, former President and Chief Executive Officer of the Gas Research Institute (gas industry research and development institute)

Richard W. Gochbauer

Retired, former Chief Executive Officer, United Stationers Inc. (distributor of business products)

Frank S. Hermance

Chairman of the Board and Chief Executive Officer, Ametek Inc. (manufacturer of electronic instruments)

Ernest E. Jones

President and Chief Executive Officer, EJones Consulting, LLC (management consulting to non-profit organizations)

Anne Pol

Retired, former President and Chief Operating Officer, Trex Enterprises Corporation (high technology research and development)

M. Shawn Puccio

Senior Vice President – Finance, Saint-Gobain Corporation (building materials)

Marvin O. Schlanger

Principal, Cherry Hill Chemical Investments, LLC (management and capital services)

Roger B. Vincent

Retired, Former President, Springwell Corporation (corporate financial adviser)

Officers

UGI Corporation

Lon R. Greenberg

Chairman and
Chief Executive Officer

John L. Walsh

President, Chief Operating
Officer and Principal Financial
Officer

Davinder S. Athwal

Vice President – Accounting
and Financial Control and
Chief Risk Officer

Bradley C. Hall

Vice President –
New Business Development

Robert H. Knauss

Vice President and
General Counsel

Margaret M. Calabrese

Associate General Counsel
and Corporate Secretary

Hugh J. Gallagher

Treasurer

AmeriGas Propane, Inc.

Eugene V. N. Bissell

President and
Chief Executive Officer

UGI Utilities, Inc.

Robert F. Beard

President and
Chief Executive Officer

UGI Enterprises, Inc.

Bradley C. Hall

President

UGI HVAC Enterprises, Inc.

Robert L. Pistor

Vice President

Antargaz

Eric Naddeo

Director General

Flaga GmbH

Josef Weinzierl

Managing Director



**P.O. Box 858
Valley Forge, PA 19482**

**You can obtain news and other information about
UGI Corporation and AmeriGas Partners, L.P.
24 hours a day at 800-844-9453 or www.ugicorp.com**

